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**MONTANA
BANKERS
ASSOCIATION**

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2005 SEP 23 AM 10 10

September 22, 2005

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square
Suite 2300
San Francisco, CA 94105

RE: Wal-Mart Bank Application #20051977

Dear Mr. Carter:

The Montana Bankers Association is registering serious concerns regarding the application by Wal-Mart Bank for deposit insurance provided by the Federal Deposit Insurance Corporation (FDIC). The magnitude of Wal-Mart's, the parent company, financial size and global reach raises significant policy questions that the current application process may be ill-equipped to address.

Although the Wal-Mart Bank application is narrow in focus and purports that Wal-Mart Bank would have little competitive impact in its region, there are significant issues raised by the application. Here are just two examples that should give rise to further examination by the FDIC in its consideration of the application:

1. Certificates of Deposits. The application indicates that Wal-Mart Bank will offer certificates of deposits to Section 501(c)(3) organizations and those certificates, "...will have an interest rate above market rates..." The application is unclear on whether or not the offered certificates of deposit will be limited to the Salt Lake City/Ogden area, or offered to eligible organizations through out the country. In addition, the application indicates certificates of deposit will be offered to individual investors generated through deposit brokers. The potential impact of such an offering to non-profit organizations and individual investors nationwide would be significant and, undoubtedly, an intrusion into the retail bank market.

2. CRA Exemption. Wal-Mart Bank is seeking approval as a special purpose bank and an exemption from Community Reinvestment Act regulations. Yet, in its application, Wal-Mart Bank wants to participate in financial education programs with the FDIC in conjunction with the parent company's Wal-Mart retail stores in other areas outside of the SLC MSA. Given the parent company's history of attempts to enter retail banking, it

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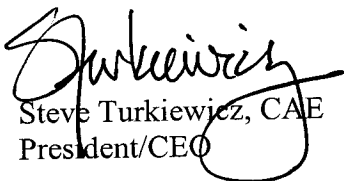
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is not a beyond a reasonable conclusion that Wal-Mart would use this tactic as method to set the stage for yet another attempt to gain access to retail banking.

Furthermore, the Montana Bankers Association supports the position advanced by the American Bankers Association and America's Community Bankers in their joint letter of September 20, 2005. Their letter articulated well the concerns felt by our members and the issues the FDIC should consider in the application process.

Given these grave matters raised by the Wal-Mart Bank application, as well as those expressed by others in their comments to the FDIC, The Montana Bankers Association urges that further consideration of the Wal-Mart Bank application be delayed until the full extent of the ramifications of the application can be fully understood by both the FDIC and the public.

Sincerely,


Steve Turkiewicz, CAE
President/CEO